NORFOLK

Neighborhood Development
400 Granby Street
Norfolk, Virginia 23510

Norfolk
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All-America City
2013

FY 2016 HUD Entitlement Application Tutorial

Presented by:

Department of Neighborhood Development (DND)

January 5, 2015

Technical Assistance Goal

- Provide overview of the 3 HUD Programs for which the City is accepting applications.

- Offer guidance on preparing the application for funding.

Department of Neighborhood Development (DND) Staff

Staff Name	Position Title
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DND
Primary Functions

1. Oversight and monitoring of the HUD Entitlement programs.

2. Assist with identification and pursuit of other grant opportunities for the City and community-based organizations.

Training Topics

▶ What is the CDBG Program?

▶ What can CDBG do, now?

▶ What is the HOME Program?

▶ What is the ESG Program?

▶ How to complete the application?

▶ What is the application process?

▶ Do you have any questions?

Source of Funds

The City of Norfolk receives funding annually from the U.S. Department of Housing and Urban Development (HUD) for three entitlement programs:

1. Community Development Block Grant (CDBG) Program

2. HOME Investment Partnerships Program (HOME)

3. Emergency Solutions Grant (ESG) Program

HUD Annual Plan Funding Levels

FY 2012- FY 2015 Funding Amount							
Program	FY 2012	FY 2013	FY 2014	FY 2015	Inc./ Dec.	% Inc./ Dec.	FY 2016
CDBG	$4,717,818	$3,887,210	$4,018,211	$3,886,824	($131,387)	-3.3%	TBD
HOME	$1,746,031	$1,024,324	$948,758	$958,639	$9,881	1.0%	TBD
ESG	$355,948	$408,550	$283,584	$326,434	$42,850	13.1%	TBD
Total	$6,819,797	$5,320,084	$5,250,553	$5,171,897	($78,656)	-1.5%	TBD

Note: **FY 2016** funding levels have yet to be determined.

CDBG Program Purpose

For FY 2016 CDBG Programs, the city is only accepting returning FY 2015 awarded applications for the CDBG Program.

Your program must meet one of the following criteria:

- Providing decent housing,
- Creating a suitable living environment, and
- Expanding economic opportunities.

CDBG National Objectives

All programs must meet a National Objective:

1. Low- and moderate-income benefit:

   - Low-Mod Housing (LMH)
   - Low-Mod Area (LMA)
   - Low-Mod Jobs (LMJ)
   - Low-Mod Clientele (LMC)

2. Aid in the prevention or elimination of blight; and/or

3. Activities designed to meet community development needs having a particular urgency.

Low and Moderate Income

Most common is Low and Moderate Income

- HUD defines low income as household income equal to or less than 50% of median income.

- HUD defines moderate income as household income equal to or less than 80% of median income.

- At least 51% of program beneficiaries must be low or moderate income.

Remembering CDBG Beneficiaries

- Activities affecting multi-family structures or public facilities, including infrastructure must guarantee at least <u>51%</u> low and moderate income benefit.

- Those activities targeting single family developments must serve 100% low and moderate income.

- No project is eligible if there is not at least 51% low to moderate benefit.

CDBG Eligible Applicants

- City Departments;

- Other public agencies; and

- Public, For-profit & non-profit* entities that carry out eligible housing & community development projects within the City of Norfolk.

- *Note:* **Only** agencies up to date on all taxes and fees due to the City of Norfolk will be considered for funding.

Existing 501 (c) (3) status required.

CDBG Funding Categories

▶ Public Service (15% cap)

▶ Project Use

▶ Planning & Administration (20% Cap)

CDBG Eligible Public Service Activities

- Services for homeless persons

- Drug abuse counseling & treatment

- Energy conservation counseling & testing

- Homebuyer down payment assistance

- Welfare (but excluding provisions of income payments described at §570.207(b)(4)

- Childcare

- Health care

- Job training

- Recreation activities

- Education activities

- Public safety services

- Fair housing activities

- Services for senior citizens

Additional program information can be found on the city's website at:
http://www.norfolk.gov/Grant/PDFfiles/EligibleCDBG.pdf

CDBG Eligible Project Use Activities

- Acquisition

- Clearance of Sites

- Rehabilitation

- Publicly Owned Improvements

- New Construction of Public Facilities

- Homeownership Assistance

- Relocation

- Microenterprise (5 or fewer employees)

CDBG In-eligible Program Activities

▶ <u>**Completely**</u> Ineligible Activities:

- Buildings used for the general conduct of gov't
- General government expenses
- Political Activities

▶ <u>**Generally**</u> Ineligible Activities:

- Purchase of equipment
- Operating and maintenance expenses
- Construction of new permanent residential structures

HOME Program Purpose

- A Federal Block Grant to State & local governments designed exclusively to create affordable housing for low-income households.

- At least 15% of HOME funds must be set-aside for specific activities to be undertaken by a special type of non-profit called a Community Housing Development Organization (CHDO).

HOME Program Overview

Provides funds to states & communities – often in partnership with local non-profit organizations – to promote a range of activities benefitting low income households, such as:

1. Affordable Home Development
2. Homebuyer Assistance
3. Home Rehabilitation
4. Direct Rental Assistance
5. Administration (10% cap)

Additional program information can be found on the city's website at: http://www.norfolk.gov/Grant/PDFfiles/EligibleCDBG.pdf

HOME Program Eligible Applicants

- City Departments

- Housing Development Organizations seeking to produce affordable housing

- Not-for-Profit or Public Agency sub-recipients administering housing programs

- Community Housing Development Organizations (CHDOs)

- For-Profits submitting an application justifiable in accordance with the City's Consolidated Plan priorities

HOME Eligible Projects

Eligible HOME projects include:

- Owner occupied rehabilitation

- Rental Rehabilitation

- New construction of housing to be owner occupied

- New construction of Rental Housing

- Homeownership Assistance (Existing Housing & New Construction)

- Tenant Based Rental Assistance

HOME
Eligible Activities

Eligible HOME activities that are project based:

- Inspections

- Other professional services

- Architectural design

- Acquisition of property

- Demolition

- Construction

- Relocation

- Down-Payment & Closing Costs

HOME Match Requirement

- Remember that HOME Match requires Match! <u>Norfolk</u> is required to pay 12.5 cents per dollar).

  <u>**For example:**</u> If an agency submits an application for $250,000, the agency is required to provide acceptable matching funds that are not Federal. State and local funding is acceptable.

  For this example, the HOME Program 'Match' component would be **$31,250 (12.5 cents)** vs. $62,500 (25 cents).

ESG Program Design & Purpose

The program reflects change from the Emergency Shelter Grant to Emergency Solutions Grant to focus from:

- addressing the needs of the homeless people in emergency shelters to-

- assisting people to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness.

ESG Eligible Applicants

- Non-profit organizations who have been providing homeless services for at least one year;

- Must have the capacity to provide matching funds (in-kind contributions) equal to the amount awarded;

- Involve homeless individuals and families in ESG activities; and

- Able to provide written certification that they are part of a Homeless Management Information System (HMIS).

ESG Requirements Under HEARTH Act

- Willingness to coordinate services & programs with Norfolk Continuum of Care (CoC).

- Willingness to enter all client services into Homeless Management Information System (HMIS).

- Align outcomes with Federal Plan to End Homelessness.

- Willingness to have the Norfolk Homeless Consortium (NHC) be a partner in evaluating or monitoring the program.

ESG
6 Eligible Activities

1. <u>Street Outreach</u>: providing essential services to reach out to unsheltered homeless people.

2. <u>Emergency Shelter</u>: providing essential services to households in emergency shelters.

3. <u>Homeless Prevention</u>: providing housing relocation and stabilization services and short- or medium-term rental assistance to prevent homelessness or moving into emergency shelter.

4. <u>Rapid Re-Housing</u>: providing services to the homeless population to help move quickly to permanent housing.

5. <u>HMIS</u>: Costs of HMIS designated by the CoC including hardware, software licenses or equipment.

6. <u>Administration</u>: General management, coordination, monitoring and evaluation of the ESG program.

* The city's website provides specific details for the ESG activities
http://www.norfolk.gov/Grant/PDFfiles/ESG_Eligible_Ineligible_Activities.pdf.

ESG
Match Requirement

- Dollar for Dollar match requirement.

- What counts as match?
  - Cash;
  - Value of fair rental value of any donated material or building;
  - Value of any lease on a building;
  - State and local (grant) funds are acceptable
  - Salaries paid to staff

Example:

If an agency submits an application for $50,000 in ESG funding, the agency is required to provide $50,000 in matching funds that are not Federal funds.

ESG Match Requirement

- ESG matching funds must be used for program participants that meet all ESG eligibility criteria including income eligibility, when applicable) and for expenses that are eligible under ESG.

- Applicants must be sure that the costs comply with all of the ESG requirements including documentation and recordkeeping, HMIS, fair housing and other requirements.

ESG Match Requirement

For Instance:

- A 50% AMI guideline does not apply under any component of the ESG program.

- 30% AMI limit does not apply to ESG program participants who are being served using Emergency Shelter or Street Outreach funds.

- 30% AMI limit does apply to program participants who receive homelessness prevention assistance, or who receive rapid re-housing assistance longer than one year.

ESG Match Requirement

Also:

- A program participant receiving these services who has an income above 30% AMI would not be eligible for ESG assistance and, therefore, the city's cash contributions used to provide these services to this population could not be counted as match.

- HUD Match resources can be found at http://hudhre.info/index.cfm?do=viewFaqs

- Select ESG as your topic.

The FY 2016 Application Process

Application Timeline

DESCRIPTION	DATES
Release of the FY 2016 HUD Entitlement Applications	December 15, 2014
FY 2016 CDBG / HOME / ESG Application Webinar	January 5, 2015
1st Public Input Session – Needs Assessment	January 14, 2015
FY 2016 CDBG / HOME / ESG Application One-on-One Technical Assistance Workshop	If Applicable
FY 2016 CDBG / HOME / ESG Application Due Date	January 21, 2015
Review & Evaluation of ESG Funding Requests (CoC)	February 2015
2nd Public Hearing – Plan Recommendation	March 2015
Distribution of Draft Annual Plan Recommendations to City Manager	February 2015
City Council Work Sessions	March - May 2015
3rd Public Hearing - City Council Vote on Proposed Use of Funds	May 2015
Letters of Award/Denial are Distributed	March - April 2015
Funding Year Begins	July 2015

Criteria & Scoring

Projects & Programs should be SMART:

S   Specific

M   Measurable

A   Attainable

R   Relative

T   Time Bound

Application Submission Requirements

- Application Ranking Criteria
(How point values are assigned) Information *is located on the next slide*

- Submission requirements
(What you need to do) Refer to "What to Know When Applying for the FY 2015 Programs" document.

- DUNS Number: *Refer to : "Easy way to manage D&B's information on your company".*

  http://www.dnb.com/get-a-duns-number.html

  This will lead you to confirming your DUNs No.

- Award Conditions

(What happens if you are awarded)

FY 2016 ESG Application Ranking Criteria

- City Priorities 5 pts
- Project Need 15 pts
- Organizational Experience 12 pts
- Financial Management Structure 10 pts
- Program Timeline 6 pts
- Service Delivery 8 pts

- Collaboration 3 pts
- Program Goals 5pts
- Budget 15 pts
- Leverage/ Financial Strength 5 pts
- Sustainability 5 pts
- Statement of Applicant 1 pt
- Overall Program Effectiveness 5 pts

Total Points = 100

Application Preparation Tips!

- Describe the Program!

- Don't make guesses or assumptions!

- Don't assume the reviewer knows the particulars of your specific business or service. Tell Us!

- Be responsive to follow-up inquiries!

Changes for FY 2016

- Due date!

- Only Re-Application submissions will be accepted for CDBG programs for FY 2016!

- Only ESG and HOME Program Applications will be competitive for FY 2016!

- Technical assistance!

- Shorter preparation timeline!

- **Only** agencies up to date on all taxes & fees will be considered for funding

- Applicant interviews may return?

Common Mistakes

- Insufficient information to get a clear understanding of the proposal.

- Failure to document the need.

- Incomplete financial information.

- Requesting ineligible use of funds.

- Application was incomplete.

- Failure to address environmental hazards.

- Did not follow Citizen Participation Requirements.

Good News!

- Funding is planned for CDBG / HOME & ESG Program.

- Specific Program Information.

- Beginning the Citizen Participation process in December 2014 for the FY 2016 program year.

- Remote e-training opportunity.

- Experienced staff are prepared to answer questions.

What Happens After the Submission for the CDBG Application?

For FY 2016, CDBG Applications will be reviewed by DND staff.

The re-applied CDBG applications will be reviewed against the same criteria objective to ensure applications selected best meet the needs for the city and the program.

- To ensure that Re-Applications for CDBG are consistent with established program criteria, and

- To assure to the public that the CDBG program selection was fair.

What Happens After Submission with the HOME and ESG Applications ?

Application Review Process

The objective of an application review is essential part to ensure applications selected best meet the needs for the city and comply with HUD HOME and ESG program requirements.

- ✓ Applications are consistent with established HOME and ESG program category and criteria, and

- ✓ To assure that the selection process was impartial and fair.

Award Process

- Notification of Tentative Award

- Submission of Revised Budget

- City Council Approval

- Contract Execution Process

- Program year begins July 1, 2015

Entitlement Award Conditions

- Environmental review for all returning projects

- Compliance with Federal Acts

- Davis Bacon (may apply)

- Quarterly Reporting

- Payment Requests for Services Rendered

- Timeline

- Official Closeout Paperwork

Environmental Review Records (ERRs)

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*The primary purpose of ERRs is to protect and enhance the quality of our natural environment.

*ERRs are required to be completed for all CDBG and HOME project activities, as required by HUD.

*Each project funded with CDBG and HOME is subject to the provisions of the National Environmental Policy Act of 1969 (NEPA), as well as to the HUD environmental review regulations at 24 CFR Part 58.

Environmental Review Records (ERRs)

A complete ERR will address the following:

- Historic Preservation
- Floodplain Mgmt.
- Wetland Mgmt.
- Coastal Zone Mgmt.
- Water Quality
- Threatened Endangered Species
- Wild & Scenic Rivers

- Clean Air Act
- Solid Waste
- Environmental Standards
- Farmland Protection
- Environmental Justice

If your application has been re-awarded for FY 2016, agencies are required to continue to cover the costs associated with preparing ERR for their project(s).

Additional Information…

Check our website regularly – We will be providing additional information such as:

✓ CDBG Applications

✓ HOME Applications

✓ ESG Applications

✓ Updating Norfolk website for CDBG, HOME and ESG programs and guidelines.

If You Have Any Questions
Please refer to other tutorials!!

Contact Us ...

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